



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

J.  
m/45/019

February 20, 2002

Georgia Lund  
Wells Fargo Bank  
66 South Main  
Pleasant Grove, Utah 84062

Re: Authorization for Partial Release of Reclamation Surety, Certificates of Deposit  
(Clifton Mining Company, Clifton Exploration / Kiewit Project, E/045/0/52)  
and (American Consolidated Mining Company, Yellow Hammer Project,  
M/045/019), Tooele County, Utah

Dear Ms. Lund:

Wells Fargo Bank is presently holding two Certificates of Deposit for the benefit of the State of Utah, Division of Oil, Gas and Mining as a form of reclamation surety for Clifton Mining Company's Clifton/Kiewit Exploration project and American Consolidated Mining Company's Yellow Hammer project. The Clifton/Kiewit CD \_\_\_\_\_ is in the amount of \$17,600.00 and the Yellow Hammer project CD \_\_\_\_\_ is in the amount of \$10,500.

American Consolidated Mining Company (ACMC) was the original operator of record for both of these projects. The reclamation sureties were originally posted with the Division for both sites by ACMC through First Security Bank. IMM-Dworkin Holdings LTD, an Ohio Company, originally entered into a business agreement with ACMC to provide funding for these projects. When ACMC failed to repay IMM according to the conditions of their Escrow Agreement, IMM-Dworkin exercised its foreclosure option. Effectively, all rights, including ACMC's deed and title to these mining properties were transferred to IMM-Dworkin. The Division accepted the transfer of the permits for these projects on January 7, 2002 and February 15, 2002, respectively.

IMM-Dworkin recently reclaimed the disturbances associated with both project areas. The new operator has asked the Division to return the reclamation sureties held for these projects for reimbursement of their reclamation costs (see attached release notification letter). Because the projects have been transferred to IMM-Dworkin, and they are now the owner of the properties, the Division will honor their request and hereby authorizes partial release of the sureties. A portion will need to be retained to assure revegetation success.

Page 2  
Wells Fargo Bank  
ACMC – partial release  
E/045/052 and M/045/019  
February 20, 2002

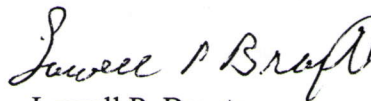
Division and Bureau of Land Management staff have inspected both sites and confirmed that the reclamation work has been satisfactorily performed. This letter hereby authorizes full release of CI \_\_\_\_\_ the amount of \$10,500, plus accrued interest and partial release of funds from CD \_\_\_\_\_ to reduce the face value of this surety to no less than \$9,100 dollars.

Please forward these funds directly to the attention of: Ms. Jenny Weibel, IMM-Dworkin, 23205 Mercantile Road, Beachwood, Ohio 44122. Her telephone number is: (216) 595-1740, extension #12. We understand that a 3-month interest penalty may apply for early withdrawal of the certificates.

When this transaction has been accomplished, please furnish us with written confirmation that appropriate funds have been released to IMM-Dworkin. The confirmation should also indicate that the \$9,100 surety balance will be held for the benefit of the Division of Oil, Gas and Mining, until we authorize final release of the remaining funds, once the revegetation standards are achieved.

If you have any questions or concerns, please contact Mary Ann Wright at (801) 538-5306, or Wayne Hedberg at (801) 538-5286. Again, thank you for your help in this matter.

Sincerely,



Lowell P. Braxton  
Director

jb

Attachment: 1/10/2002 release letter

cc: Jenny Weibel, IMM-Dworkin Holdings LTD  
Keith Moeller, ACMC/Clifton Mining Company  
Mike Ford, BLM - Salt Lake Field Office  
Mary Ann Wright, OGM  
Wayne Hedberg, OGM

O:\ACMC-partial-rel.doc